



Yardi[®] Matrix

National Student Housing Report

November 2023



Preleasing Jumps Out With Fastest Start Ever in October

This month's report begins our coverage of the 2024-2025 leasing season, as many properties and markets have started preleasing sooner and faster than ever following last year's rapid preleasing pace.

- Final occupancy for the Yardi 200 markets for the fall 2023 semester settled at 94.6% in September 2023, compared to 96.2% in September 2022. Lower occupancy this year can be partly attributed to new properties that delivered late or struggled with preleasing. New 2023-built properties only reached 81.7% occupancy for the fall 2023 semester.
- Preleasing for the 2024-2025 school year started off extremely strong, reaching 25.2% for the Yardi 200 in October 2023, well ahead of last year's record-setting pace of 10.4% preleased in October 2022. Preleasing this year is indicative of solid renewal activity early on and robust demand for housing at many major universities, with 14 schools already more than 40% preleased.
- In October 2023, average asking rent per bed was \$854 among the Yardi 200 markets for the 2024-2025 school year, slightly higher than where it ended the 2023 preleasing season in September 2023 and 6.6% higher than October 2022. Some of the schools with the fastest preleasing are already seeing rents up 15-25% year-over-year, as operators take advantage of the surge in demand.
- Fall 2023 enrollment numbers for the Yardi 200 schools are trickling in and indicate a rebound in enrollment growth in fall 2023 from the prior year, which is likely benefiting the student housing market. Enrollment data for 118 schools shows average growth of 228 students, or 0.9% year-over-year, in fall 2023 vs. a 0.4% decline in fall 2022 for the same schools.
- Investment activity is down significantly from last year, as high interest rates continue to have an impact on deal flow. There have been 66 dedicated student housing properties sold thus far this year, compared to over 200 at this point last year and a pre-COVID average of 105 properties sold by early November. Price per bed is also down, to \$71,703 vs. \$76,095 last year.

